



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Ratifying the San Joaquin Council of Governments' Annual Financial Plan for Fiscal Year 2006/07

MEETING DATE: June 7, 2006

PREPARED BY: Public Works Director

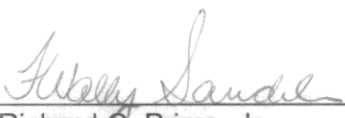
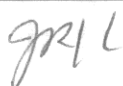
RECOMMENDED ACTION: That the City Council adopt a resolution ratifying the 2006/07 Annual Financial Plan (AFP) for the San Joaquin Council of Governments (COG).

BACKGROUND INFORMATION: Attached is a summary of COG's AFP for fiscal year 2006/07. The COG Board adopted the AFP on April 27, 2006. Pursuant to COG's Joint Powers Agreement, the budget is to be ratified by the City of Lodi following adoption by the COG Board.

Staff would like to acknowledge both the importance of the work COG performs and the significant and excellent assistance their staff provides in delivering transportation projects in the City and the entire County.

FISCAL IMPACT: This is the operating plan for COG. COG oversees Measure K funding for several projects in Lodi, including street maintenance and Transit, as well as the administration of several federal funding sources.

FUNDING AVAILABLE: Not applicable.


for Richard C. Prima, Jr.
Public Works Director 

Prepared by Tiffani M. Fink, Transportation Manager

RCP/TF/pmf

Attachment

cc: D. Stephen Schwabauer, City Attorney
Steve Dial, COG Deputy Executive Director/Chief Financial Officer

APPROVED: 
Blair King, City Manager



SAN JOAQUIN COUNCIL OF GOVERNMENTS

555 E. Weber Avenue • Stockton, California 95202

209.468.3913 • 209.468.1084 (fax)

www.sjco.org

May 1, 2006

Gary L. Haskin
CHAIR

John Harris
VICE CHAIR

Andrew T. Chesley
EXECUTIVE DIRECTOR

Member Agencies

CITIES OF
ESCALON,
LATHROP,
LODI,
MANTECA,
RIPON,
STOCKTON,
TRACY,
AND
THE COUNTY OF
SAN JOAQUIN

Mr. Blair King
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

Dear Mr. King:

Enclosed is a summary of the San Joaquin Council of Governments' Annual Financial Plan (AFP) for Fiscal Year 2006-2007. The Board unanimously adopted the Plan on April 27, 2006. A copy of the adopting resolution is enclosed. Pursuant to SJCOG's Joint Powers Agreement, following adoption of the budget by the SJCOG Board, it is to be delivered to member agencies for ratification by each governing body. Therefore, SJCOG requests you place SJCOG's Annual Financial Plan for Fiscal Year 2006-2007 on a forthcoming agenda prior to June 30, 2006 for your Council's approval.

The Annual Financial Plan implements the FY 2006-2007 Overall Work Program (OWP) that was also adopted by the SJCOG Board on April 27, 2006.

The attached Annual Financial Plan provides a detail of expenditures by cost category and line item comparing the proposed budgets with the current year (FY 2005/06) adopted budget (as amended) and the actual expenditures for FY 2004/05. The following assumptions are incorporated in the budget:

1. Work will not begin and expenses will not be incurred unless anticipated revenue sources are secured.
2. SJCOG anticipates being fully staffed for the entire fiscal year, therefore the Salaries and Benefits cost category is fully funded. No additional staff is being requested.
3. Duplicating the process from previous years, 7% of total current salaries is included in Salaries and Benefits for the pay for performance pool (approximately \$128,000).

MAY 05 2006
CITY MANAGER'S OFFICE

REVENUES

SJCOG operating revenues are down 3.4% or \$220,025 lower. Overall, federal funding for operating is decreased 2.2% from 2005/06 due to the completion or drawdown on several projects. However, two key federal funding sources, Federal Highways planning funds (FHWA PI) and Federal Transit Metropolitan Planning Organization funds have increased 24% and 27% respectively. Further, staff is not anticipating obligating any additional FHWA PI funds beyond the current year's obligation. State funding sources are down nearly 24% due to the completion of several planning projects. Local revenues are 5.6% higher due to increased revenues from the Local Transportation Fund and Measure K.

Transportation Development Act funding increases \$58,500 due to the increase in Local Transportation Fund revenue estimate. Measure K project management funding is increased \$53,750. The 1% Measure K administration funding increases \$53,800 based upon the increase in the annual revenue estimate.

EXPENDITURES

Salaries and Benefits are proposed to increase 8.4%. Salaries increase 8.34% and benefits increase 8.77%.

Services and Supplies is proposed to be 2.1% higher than the current year.

Office expense is increased 7.6% primarily for software upgrades and acquisitions.

Communications is maintained at last year's level.

Memberships is maintained at last year's level.

Maintenance – Equipment is reduced 25% reflecting actual experience.

Rents and leases – Equipment is reduced 1.8% reflecting the return of the Executive Director's car.

Transportation and Travel is maintained at the current level.

Allocated service cost is increased 160% due to the cost allocations of San Joaquin County.

Publications and legal notices increased by 18.4% reflecting additional public notice and outreach requirements.

Insurance is increased by 14.9% for premium increases.

Building and maintenance is decreased 16.7% reflecting actual experience.

Rent – structures and grounds is increased slightly by 5% due to the increasing interest rates on the debt service of the building financing.

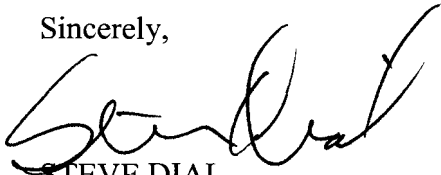
Professional Services is decreased 16.9% reflecting the completion or partial completion of a number of planning projects.

Fixed Assets is increased to fund additional computer upgrades primarily with respect to GIS and mapping.

SJCOG staff would be pleased to appear before your policymakers to answer any questions they might have regarding this matter. **We request ratification prior to Friday, June 30, 2006.** Please let me know when this will be on your agenda. If you have any questions regarding this matter, don't hesitate to contact me at 468-3913.

Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Dial", written over the printed name.

STEVE DIAL

Deputy Executive Director/Chief Financial Officer



RESOLUTION
SAN JOAQUIN COUNCIL OF GOVERNMENTS

R-06-38

RESOLUTION APPROVING THE ADOPTION OF THE 2006-2007
ANNUAL FINANCIAL PLAN
FOR THE SAN JOAQUIN COUNCIL OF GOVERNMENTS

WHEREAS, the San Joaquin Council of Governments is required by the Joint Powers Agreement to adopt a budget (Annual Financial Plan) annually, and

WHEREAS, the adopted budget is to be sent to the member agencies for ratification.

NOW THEREFORE BE IT RESOLVED, that the San Joaquin Council of Governments adopts the FY 2006-2007 Annual Financial Plan and directs the Executive Director to transmit it to the member agencies for ratification.

PASSED AND ADOPTED this 27th day of April 2006, by the following vote of the San Joaquin Council of Governments, to wit:

AYES: Councilman Harris, Manteca; Mayor Bilbrey, Tracy;
Mayor Chavez, Stockton; Chairman Haskin, Escalon;
Supervisor Sieglock, San Joaquin County; Mayor Rhodes,
Lathrop; Supervisor Mow, San Joaquin County; Vice
Mayor Giovanetti, Stockton; Mayor Hitchcock, Lodi;
Mayor Winn, Ripon; Councilman Bestolarides, Stockton;
Supervisor Ornellas, San Joaquin County.

NOES: None

ABSENT: None



GARY L. HASKIN
Chair

San Joaquin Council of Governments
ANNUAL FINANCIAL PLAN
Adopted April 27, 2006

CHAIR

Councilmember Gary Haskin, City of Escalon

VICE-CHAIR

Councilmember John Harris, City of Manteca

BOARD OF DIRECTORS

Vice Mayor Gary Giovanetti, Immediate Past Chair	City of Stockton
Mayor Gloryanna Rhodes	City of Lathrop
Councilmember Larry Hansen	City of Lodi
Mayor Chuck Winn	City of Ripon
Supervisor Jack Sieglöck	County of San Joaquin
Supervisor Victor Mow	County of San Joaquin
Supervisor Leroy Ornellas	County of San Joaquin
Mayor Ed Chavez	City of Stockton
Councilmember Dan Chapman	City of Stockton
Mayor Dan Bilbrey	City of Tracy

EX OFFICIO DIRECTORS

Kome Ajise	Caltrans District 10
Duane Isetti	San Joaquin Regional Transit District
Ron Coale	Port of Stockton

SUBMITTED BY:

Andrew T. Chesley
Executive Director

Steve Dial
Deputy Executive Director/
Chief Financial Officer

San Joaquin Council of Governments
ANNUAL FINANCIAL PLAN
Fiscal Year 2006/07
Proposed April 27, 2006

	FY 2004-05	FY 2005-06	FY 2006-07	%
REVENUES	Actual	Amend. 2 2/23/06	Adopted 4/27/06	Change
Federal Grants	\$1,385,623	\$2,616,585	\$2,558,680	-2.2%
State Grants	\$705,075	\$1,286,315	\$984,551	-23.5%
Local	\$1,913,939	\$2,491,348	\$2,630,992	5.6%
Interest	\$29,819	\$10,000	\$10,000	0.0%
Other	\$0	\$30,000	\$30,000	0.0%
SJCOG OPERATING REVENUES	\$4,034,456	\$6,434,248	\$6,214,223	-3.4%
Federal Pass-Through	\$30,500,000	\$64,209,000	\$64,209,000	0.0%
State Pass-Through	\$1,200,000	\$66,825,585	\$66,767,680	-0.1%
Local Pass-Through	\$62,546,000	\$69,288,000	\$104,865,500	51.3%
Commercial Paper	\$97,000,000	\$167,000,000	\$167,000,000	0.0%
TOTAL SJCOG REVENUE	\$195,280,456	\$373,756,833	\$409,056,404	9.4%
EXPENDITURES				
Salaries & Benefits	\$2,249,156	\$2,589,721	\$2,807,071	8.4%
Services & Supplies	\$544,476	\$1,025,800	\$1,046,850	2.1%
Office Expense	\$142,559	\$228,800	\$246,150	7.6%
Communications	\$51,176	\$48,000	\$48,000	0.0%
Memberships	\$21,036	\$29,000	\$29,000	0.0%
Maintenance - Equipment	\$1,584	\$10,000	\$7,500	-25.0%
Rents & Leases - Equipment	\$95,583	\$165,000	\$162,000	-1.8%
Transportation, Travel & Training (In & Out of State)	\$103,662	\$100,000	\$100,000	0.0%
Allocated Service Cost	\$0	\$2,000	\$5,200	160.0%
Publications & Legal Notices	\$7,317	\$19,000	\$22,500	18.4%
Insurance	\$58,416	\$74,000	\$85,000	14.9%
Building Maintenance	\$19,817	\$120,000	\$100,000	-16.7%
Rents - Structures & Grounds	\$43,326	\$230,000	\$241,500	5.0%
Professional Services	\$1,068,445	\$2,768,173	\$2,299,802	-16.9%
Fixed Assets	\$172,363	\$50,500	\$60,500	19.8%
Unallocated/Reserve	\$16	\$54	\$0	-100.0%
SJCOG OPERATING EXPENDITURES	\$4,034,456	\$6,434,248	\$6,214,223	-3.4%
Pass-Through	\$191,246,000	\$302,726,808	\$312,661,917	3.3%
TOTAL SJCOG EXPENDITURES	\$195,280,456	\$373,756,833	\$409,056,404	9.4%
Excess (Deficit) Revenues	\$0	\$0	\$0	(\$0)
Over Expenditures (Operating)				

San Joaquin Council of Governments
ANNUAL FINANCIAL PLAN
Fiscal Year 2006/07
Adopted April 27, 2006

*Supplemental
Information
E-12*

	FY 2004-05	FY 2005-06	FY 2006-07	%
REVENUES	Actual	Amend. 2 2/23/06	Adopted 4/27/06	Change
Federal Grants	\$1,385,623	\$2,616,585	\$2,558,680	-2.2%
State Grants	\$705,075	\$1,286,315	\$984,551	-23.5%
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Federal Pass-Through	\$30,500,000	\$64,209,000	\$64,209,000	0.0%
State Pass-Through	\$1,200,000	\$2,229,808	\$2,889,767	29.6%
Local Pass-Through	\$62,546,000	\$69,288,000	\$78,563,150	13.4%
Commercial Paper	\$97,000,000	\$167,000,000	\$167,000,000	0.0%
TOTAL SJCOG REVENUE	\$195,280,456	\$309,161,056	\$318,876,140	3.1%
EXPENDITURES				
Salaries & Benefits	\$2,249,156	\$2,589,721	\$2,807,071	8.4%
Services & Supplies	\$544,476	\$1,025,800	\$1,046,850	2.1%
Office Expense	\$142,559	\$228,800	\$246,150	7.6%
Communications	\$51,176	\$48,000	\$48,000	0.0%
Memberships	\$21,036	\$29,000	\$29,000	0.0%
Maintenance - Equipment	\$1,584	\$10,000	\$7,500	-25.0%
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Pass-Through	\$191,246,000	\$302,726,808	\$312,661,917	3.3%
TOTAL SJCOG EXPENDITURES	\$195,280,456	\$309,161,056	\$318,876,140	3.1%

RESOLUTION NO. 2006-107

A RESOLUTION OF THE LODI CITY
COUNCIL RATIFYING THE SAN JOAQUIN
COUNCIL OF GOVERNMENTS' (SJCOG)
2006-07 ANNUAL FINANCIAL PLAN

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WHEREAS, the San Joaquin Council of Governments (SJCOG) has approved its fiscal year 2006-07 budget by adopting Resolution No. R-06-38 as shown on the attached, marked Exhibit A; and

WHEREAS, SJCOG is required to forward such Resolution to its member governments for their review and ratification.


NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby ratifies the 2006-07 Annual Financial Plan for SJCOG.

Dated: June 7, 2006

=====

I hereby certify that Resolution No. 2006-107 was passed and adopted by the Lodi City Council in a regular meeting held June 7, 2006, by the following vote:

AYES: COUNCIL MEMBERS – Beckman, Hansen, Johnson, and Mounce
NOES: COUNCIL MEMBERS – None
ABSENT: COUNCIL MEMBERS – Mayor Hitchcock
ABSTAIN: COUNCIL MEMBERS – None


JENNIFER M. PERRIN
Interim City Clerk



RESOLUTION
SAN JOAQUIN COUNCIL OF GOVERNMENTS

EXHIBIT A

R-06-38

RESOLUTION APPROVING THE ADOPTION OF THE 2006-2007
ANNUAL FINANCIAL PLAN
FOR THE SAN JOAQUIN COUNCIL OF GOVERNMENTS

WHEREAS, the San Joaquin Council of Governments is required by the Joint Powers Agreement to adopt a budget (Annual Financial Plan) annually, and

WHEREAS, the adopted budget is to be sent to the member agencies for ratification.

NOW THEREFORE BE IT RESOLVED, that the San Joaquin Council of Governments adopts the FY 2006-2007 Annual Financial Plan and directs the Executive Director to transmit it to the member agencies for ratification.

PASSED AND ADOPTED this 27th day of April 2006, by the following vote of the San Joaquin Council of Governments, to wit:

AYES: Councilman Harris, Manteca; Mayor Bilbrey, Tracy;
Mayor Chavez, Stockton; Chairman Haskin, Escalon;
Supervisor Sieglock, San Joaquin County; Mayor Rhodes,
Lathrop; Supervisor Mow, San Joaquin County; Vice
Mayor Giovanetti, Stockton; Mayor Hitchcock, Lodi;
Mayor Winn, Ripon; Councilman Bestolarides, Stockton;
Supervisor Ornellas, San Joaquin County.

NOES: None

ABSENT: None


GARY L. HASKIN
Chair

San Joaquin Council of Governments
ANNUAL FINANCIAL PLAN
Adopted April 27, 2006

CHAIR

Councilmember Gary Haskin, City of Escalon

VICE-CHAIR

Councilmember John Harris, City of Manteca

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Ron Coale	Port of Stockton

SUBMITTED BY:

Andrew T. Chesley
Executive Director

Steve Dial
Deputy Executive Director/
Chief Financial Officer

San Joaquin Council of Governments
ANNUAL FINANCIAL PLAN
Fiscal Year 2006/07
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CITY COUNCIL

SUSAN HITCHCOCK,
Mayor

BOB JOHNSON,
Mayor Pro Tempore

JOHN BECKMAN

LARRY D. HANSEN

JOANNE MOUNCE

CITY OF LODI



PUBLIC WORKS DEPARTMENT

CITY HALL, 221 WEST PINE STREET / P.O. BOX 3006
LODI, CALIFORNIA 95241-1910
TELEPHONE (209) 333-6706 / FAX (209) 333-6710
EMAIL pwdept@lodi.gov
<http://www.lodi.gov>

BLAIR KING,
City Manager

SUSAN J. BLACKSTON,
City Clerk

D. STEPHEN SCHWABAUER,
City Attorney

RICHARD C. PRIMA, JR.,
Public Works Director

June 1, 2006

Steve Dial, Deputy Executive Director/Chief Financial Officer
San Joaquin Council of Governments
555 E. Weber Avenue
Stockton, CA 95202

SUBJECT: Adopt Resolution Ratifying the San Joaquin Council of Governments'
Annual Financial Plan for Fiscal Year 2006/07

Enclosed is a copy of background information on an item on the City Council agenda of Wednesday, June 7, 2006. The meeting will be held at 7 p.m. in the City Council Chamber, Carnegie Forum, 305 West Pine Street.

This item is on the consent calendar and is usually not discussed unless a Council Member requests discussion. The public is given an opportunity to address items on the consent calendar at the appropriate time.

If you wish to write to the City Council, please address your letter to City Council, City of Lodi, P. O. Box 3006, Lodi, California, 95241-1910. Be sure to allow time for the mail. Or, you may hand-deliver the letter to City Hall, 221 West Pine Street.

If you wish to address the Council at the Council Meeting, be sure to fill out a speaker's card (available at the Carnegie Forum immediately prior to the start of the meeting) and give it to the City Clerk. If you have any questions about communicating with the Council, please contact Susan Blackston, City Clerk, at (209) 333-6702.

If you have any questions about the item itself, please call Tiffani Fink, Transportation Manager, at (209) 333-6800, extension 2678.

A handwritten signature in dark ink, appearing to read "R. Prima".

for: Richard C. Prima, Jr.
Public Works Director

RCP/pmf

Enclosure

cc: City Clerk